

Timber Creek prepared the following adjusted trial balance on December 31, 20X3. The company has completed preparation of financial statements and is now ready to prepare closing entries.

TIMBER CREEK		
Adjusted Trial Balance		
As of December 31, 20X3		
	Debits	Credits
Cash	\$ 35,600	\$ -
Accounts receivable	23,700	-
Supplies	7,500	-
Equipment	325,700	-
Accumulated depreciation	-	40,400
Accounts payable	-	34,800
Loan payable	-	100,000
Capital stock	-	80,000
Retained earnings	-	70,000
Dividends	20,000	-
Revenues	-	478,400
Rent expense	120,000	-
Salaries expense	235,600	-
Supplies expense	18,000	-
Interest expense	7,400	-
Depreciation expense	10,100	-
	<u>\$ 803,600</u>	<u>\$ 803,600</u>

- (a) Prepare the necessary closing entries.
- (b) Use T-accounts to determine the post-closing balances of the accounts.
- (c) Prepare the post-closing trial balance.